



City Council Regular Meeting Agenda 1/17/06

Call to Order

- Pledge of Allegiance (Tommy Johnson)
- Invocation (Rev. David Talbert, Trinity Memorial United Methodist Church)
- Welcome Guests and Visitors

Review and Approval of Minutes

1. December 13, 2005 Pre-agenda Meeting
2. December 20, 2005 Regular City Council Meeting

Public Concerns and Commendations

At this time, citizens are invited to address the City Council. **Speakers must sign up to speak prior to meeting;** when the Mayor calls your name, please step to the lectern and state your name and address for the record; remarks are limited to 3 minutes/speaker; speakers are encouraged to select a spokesperson if several people plan to make similar points. *(Policy adopted 2/17/04)*

Reports

3. Audit Report/FY 2004 – 2005 (LaVonne Montague, CPA, Dixon-Hughes PLCC)
4. Randolph County Economic Development Corporation annual report (Bonnie Renfro, President)

Unfinished Business

None

New Business

5. Colonial Village Final Plat Approval
6. (Closed Session) Performance Evaluation of City Manager

Business and Closing Comments from Mayor and Council

Business from City Manager

Adjournment

CITY OF TRINITY

Upcoming Meetings and Community Events

All meetings are open to the public - residents are invited and encouraged to attend

Land Development Plan Committee

Next meeting: Thursday January 19, 2006 at 7:00 p.m. at Trinity Memorial United Methodist Church.

Planning & Zoning Board

Meets fourth Tuesday of each month at 7:00 p.m.

Next meeting: Tuesday, January 24, 2006 at 7:00 p.m. at Trinity City Hall

Utilities Committee

Meets first Tuesday of each month at 7:00 p.m. at Trinity City Hall.

Next meeting: Tuesday, February 7, 2006 at 7:00 p.m. at Trinity City Hall

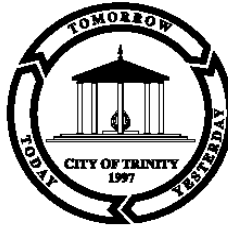
City Council

Meets third Tuesday of each month at 7:00 p.m. at Trinity Memorial United Methodist Church.

Next meeting: Tuesday, February 21, 2006 @ 7:00 p.m.

Pre-agenda meetings are held at City Hall. (No public comment period).

Next meeting: Tuesday February 14, 2006 @ 4:00 p.m.



**City Council
Regular Meeting
Tuesday, January 17, 2006
7:00 P.M.**

The regularly scheduled meeting of the Trinity City Council was held on Tuesday, January 17, 2006 at the Trinity Memorial United Methodist Church.

MEMBERS PRESENT: Mayor Frances Andrews, Council members Karen Bridges, Phil Brown, Barbara Ewings, Bob Labonte, Barry Lambeth, Dwight Meredith, Edith Reddick, and Miles Talbert.

MEMBERS ABSENT: None

OTHERS PRESENT: City Manager Ann Bailie; City Attorney, Bob Wilhoit; City Clerk/FO, Debbie Hinson; City Engineer Randy McNeill; Members of the Press; and other interested parties.

ITEM 1. CALL TO ORDER

Mayor Andrews called the January 17, 2006 Regular Meeting of the Trinity City Council to order at 7:00 pm.

Pledge of Allegiance

Mr. Tommy Johnson led the Pledge of Allegiance.

Invocation

The invocation was given by Mr. Donald Gray.

Welcome Guest and Visitors

Mayor Andrews welcomed and thanked all persons in attendance and for their interest in the City.

ITEM 2. REVIEW AND APPROVAL OF MINUTES

1. December 13, 2005 Pre-Agenda Meeting

Mayor Andrews called for corrections, additions, or deletions to the December 13, 2006 Pre-Agenda Meeting.

Motion by Council member Bridges to approve as written, seconded by Council member Meredith and approved unanimously by all Council members present.

2. December 20, 2005 Regular City Council Meeting

Mayor Andrews called for corrections, additions, or deletions to the December 20, 2005 Regular Minutes.

Motion by Council member Ewings to approve as written, seconded by Council member Talbert, and approved unanimously by all Council members present.

Public Concerns and Commendations

Mayor Andrews opened the floor to Public Comments and advised those who wished to speak that the 3 minute rule would be observed.

Brian Cox 106 Eastwind Drive, Archdale, NC 27263; Mr. Cox stated that he was the Assistant Fire Chief for the Guil-Rand Fire Department and would like to discuss and clarify some of the issues listed in today's copy of the High Point Enterprise. Mr. Cox stated that the High Point Enterprise and the City Council had been misinformed on some of the issues. He discussed the meeting and conversation between himself and Manager Bailie and his confirmation of Guil-Rand's readiness and willingness to sit down with City Council members, Mayor, and staff any time to meet and discuss fire protection issues for the City of Trinity. Mr. Cox discussed the information that had been shared concerning the last time that Guil-Rand Fire Department was graded. The last time that Guil-Rand was graded by ISO was October 02- 04, 1988 less than 18 years not 22 years as discussed at your Annual Retreat. At one time all fire department grading was done by ISO. In 1997 or 98, the State of North Carolina Department of Insurance assumed the role for grading departments of less than 100,000. We requested a delay prior to grading one (1) time only, not three (3) times as stated. This was confirmed today by Mr. A.C. Daniels. Guil-Rand currently has a grade 5 which is considered a good grade. We are aware that both the City of Trinity and City of Archdale are installing more hydrants and water lines. The City of Archdale is in the process of installing a new water tank as well. That is one of the reasons that we asked for our grading to be delayed. All of these items play a part in the grade that we receive.

Mayor Andrews advised Mr. Cox that his time had expired and asked that he stay until the end of the meeting at which time she would talk with him about any other issues he may have.

John Cable, 5938 Lacey Court, Trinity, NC 27370: Mr. Cable advised Council that he was the Vice-President of the Guil-Rand Fire Protection Association and attended Trinity's Annual Retreat on January 14, 2006. I agree with Mr. Cox concerning some of the information that was shared at that Retreat. Mr. Cable stated that he had been in public service for approximately 30 years, as a professional fire fighter, and as a board administrator for the fire department. He discussed comments made by Council member Meredith concerning how Trinity controlled its own destiny as well as the information that was shared by the Fire Task Force with Council. Our Fire Department Board members sat at that meeting and listened to another board and their members address Council concerning that report without speaking out.

Mr. Cable discussed Council member Labonte's comment concerning his feelings on the short term goals of approximately seven (7) years. We are now looking at long term goals. Our Board or its members has never solicited the City of Trinity to be its fire provider. When asked, we agreed to provide fire protection services and serve the citizens. We are into public safety and saving lives; not into money. He discussed his feelings on comments that were made concerning Guil-Rand and its members and the need to speak out concerning these comments. We have good men and women that work very hard, as well as good board members that are here tonight. We are here to support not divide the community.

Mayor Andrews advised Mr. Cable that his time had expired and asked that he stay until the end of the meeting at which time she would talk with him about any other issues he may have.

Reports

ITEM 3. AUDIT REPORT/FY 2004 – 2005 (LAVONNE MONTAGUE, CPA, DIXON-HUGHES PLCC)

Mayor Andrews opened this item and introduced Ms. Lavonne Montague, CPA, with Dixon Hughes to discuss the Annual Audit Report for the fiscal year ending June 30, 2005.

Ms. Montague discussed the following points from the Annual Audit with Mayor Andrews and Council.

- Dixon Hughes has issued an Unqualified Opinion on the City's current financial statements as in years past. This is the highest form of assurance that can be given on a set of financial statements. This also confirms that the financial records are in order and our firm did not have any recommendations or suggestions for improvements.
- The Management Discussion and Analysis begins on page 5 and continues through page 14 of the audit. This section gives a good overview and narratives of what the city's activities have been throughout the year and the future direction the city plans to work toward financially.
- Page 17 represents the net assets for all of the funds and activities of the city. The city has \$729,000 in general capital assets and made its last repayment on its sole debt therefore there is no long term debt for the city except compensated absences.
- The sewer activities shown in the business column includes the sewer fund, local sewer project and capital projects. The capital assets listed under non-current represents the capital outlay costs

incurred by the sewer system as well as any construction in progress for the city sewer system that you continue to expand.

- The restrictions located at the bottom of this page represent any items that have been restricted by State law or other 3rd parties and can only be spent on certain activities. As of June 30, 2005 there is approximately 1.1 million dollars restricted for street improvements and is a result of an accumulation of unspent Powell Bill funds over the years.
- Page 18 and 19 represents a spread sheet on the statement of activities that shows the net costs of activities by functional category and shows the expenses of a particular function and the related program revenues that supports the program. As with most other governmental units the costs to operate various functions of the government is supported through general revenue such as property taxes and other unrestricted intergovernmental revenues such as local option sales tax.
- The net assets as shown on page 18 and 19 increased by 1.3 million dollars.
- The governmental fund on page 20 (Balance Sheet) includes a General Fund as well as a new CDBG Fund to account for money received for the Darr Road Sewer Project.
- The Fund Balance Section on page 20 shows the city's unreserved and undesignated fund balance is approximately 4.8 million dollars available for spending at the unit's discretion.
- Page 23 illustrates the revenues and expenditures Budget to Actual and shows that the city's overall revenues had a favorable variance to the budget. Revenues exceeded the budget by approximately \$310,000.00. The actual expenditures also had a favorable variance by approximately \$768,000.
- Including transfers to the CDBG and Sewer Funds, General Fund Revenues exceeded expenditures by \$734,000.00. This increased the City Fund Balance to 8.3 million dollars.

After review of the audit Ms. Montague discussed the handout given to Council that graphed a 5 year trend of the Unreserved Fund Balance of both revenues and expenditures for the City of Trinity. This graph illustrates that the City has continued to steadily increase the Unreserved Fund Balance. This accumulation is in preparation for the anticipated needs and expenditures and transfers for the sewer needs of the city residents. The revenues have remained constant and the expenditures fluctuate year to year due to the transfers to the sewer fund for operations and capital projects.

In conclusion, Ms. Montague advised Council that her firm did not have any management letter comments or reportable conditions. Any comments made in the prior year were satisfactorily addressed during the year. There were no were no noted weakness in internal controls.

With no questions, Ms. Montague thanked the city staff for their help during the audit and concluded her presentation.

ITEM IV. Randolph County Economic Development Corporation annual report (Bonnie Renfro, President)

Mayor Andrews opened this item and turned the discussion over to Ms. Renfro.

Ms. Renfro reviewed the Annual Report for the Randolph County Economic Development Corporation as per the handout given to Council. Ms. Renfro discussed the efforts of the Economic Development to market the former Elkhart Rubber facility as well as the decision of the Assurance Group not to locate or grow their business in Randolph County as discussed at an earlier meeting with Council. Ms. Renfro discussed current conversations that were taking place with Mr. Gary Younts, owner of Younts Machine Shop. He wants to continue to grow his business and has asked us to work with him to explore the possibility of obtaining an infrastructure grant that will help him to grow. We will continue our discussion with him and will continue our discussion with you as this project progresses.

Ms. Renfro discussed the future growth that she felt would be taking place in Trinity as sewer infrastructure was installed and how the development of the Land Use Map that Trinity had begun would be an asset to the City and prove to be a good tool for future growth. She also discussed the importance of continuing partnerships with other municipalities such as the water line project that involved Randolph County, City of Trinity, City of Archdale, and Davidson Water.

Ms. Renfro introduced Mr. Harry Lane who would be working with existing business for the Economic Development Corporation for Randolph County. Mr. Lane discussed some of the things that small to mid size business owners had discussed with him as concerns that needed to be addressed. In conclusion, Mr. Lane advised Council that he would be an available resource for current business owners in this area and looked forward to working with both the business owners and the city.

Unfinished Business

NONE

New Business

ITEM V. Colonial Village Final Plat Approval

Mayor Andrews opened this item and turned discussion of this item to Planning Administrator Adam Stumb for briefing to Council.

Mr. Stumb advised Council that the information before them was for the first 14 lots of the Colonial Village Subdivision which will consist of 93 to 95 lots when completed. As shown on this Final Plat, Phase 1 consists of 9 single family residential lots and 5 commercial lots. The commercial lots will be located along East Sunrise and Unity Avenue. We have received substantial information since your packets were mailed out. We recommend approval of the subdivision based on 4 conditions. Since that time, the last 3 conditions included in your packet have been met. These include (1) the final Home Owners Association documents for both the residential and commercial lots; (2) signed copy of the Operation and Maintenance agreement; and (3) all fees associated with Phase 1 have been received.

The one (1) outstanding condition is the Letter of Credit. We have received confirmation that the Letter of Credit should be received either tomorrow or Thursday. The other change relating to the Letter of Credit concerns the specified amount. The recommendation as listed from staff was approximately \$645,000.00. This included all the work for Phase I including streets and sewer infrastructure to serve this area. Since receiving this number the developer has been able to do some work that has caused a decrease in the amount needed for the Letter of Credit. The adjusted amount of the Letter of Credit will be \$479,071.10. The Letter of Credit protects the City in the event the developer encountered financial difficulty and guarantees funds that would allow the City to complete the project for Phase 1.

Mayor Andrews called for questions or discussion from Council concerning this item. There was a brief discussion between Mr. Stumb and Council members concerning the changes to the original recommendations as discussed earlier. Mr. Jim Billups, Anderson and Associates and review engineering firm for the city explained to Council how the Letter of Credit worked. When the developer wants to bond a particular phase they provide the bond in the amount of the total improvement plus approximately 20%. This developer has completed the installation of the retention pond, installed sewer lines, and installed storm drainage pipe into the pond. These are the reasons for the reduction in the original amount required for the Letter of Credit. These improvements are already in place and there will be no need to bond these items of the project in this phase. As the developer completes more of the project they will probably approach the city for other reductions in the amount for the Letter of Credit for completed items of this project. The total of the improvements required in several instances go beyond Phase I.

With no further discussion, Mayor Andrews called for a motion to approve the Colonial Village Final Plat.

Move to motion to approve the Colonial Village Plat contingent on receipt of Letter of Credit by Council member Brown, seconded by Council member Labonte and approved unanimously by all Council members present.

ITEM VI. (Closed Session) Performance Evaluation of City Manager

Mayor Andrews called for a motion to recess to Closed Session.

Member Lambeth made a motion to go into Closed Session pursuant to NCGS 143.318.11(a-6) seconded by Council member Talbert and approved unanimously.

Upon returning to the Open Meeting, Mayor Andrews called for a motion to return to Regular Session.

Motion by Council member Lambeth to return to Open Session, seconded by Council member Talbert and approved unanimously by all Council members present.

After returning to Regular Session, Council member Lambeth stated that the Personnel Committee recommended that Manager Bailie's salary be increased to \$60,000.00 annually. Manager Bailie will be reviewed next year in March in order to incorporate any changes into our Annual Budgeting process.

Mayor Andrews called for a second to the recommendation of the Personnel Committee. Council member Talbert seconded the recommendation. With no discussion, the recommendation of the Personnel Committee to increase Manager Bailie's annual salary to \$60,000.00 and to review Manager Bailie next March in order to incorporate any changes into the budget process.

Business and Closing Comments from Mayor and Council

Mayor Andrews called for business or closing comments from Council.

Council member Lambeth stated that he enjoyed the Annual Retreat and that he felt it went well. Ms. Booker did an excellent job facilitating our meeting.

Business from City Manager

Manager Bailie reminded Council that the Pre-Agenda meeting scheduled for Tuesday, February 14, 2006 had been changed to Monday, February 13, 2006.

Adjournment

Prior to adjournment, Mayor Andrews read the schedule of Upcoming Meetings and Community Events.

With no further discussion, Mayor Andrews called for a motion to adjourn the January 17, 2006 Regular Meeting of the Trinity City Council.

Motion to adjourn by Council member Ewings, seconded by Council member Meredith and approved unanimously by all Council members present.

These minutes were approved by the Trinity City Council as written at their February 21, 2006 Regular Meeting upon motion by Council member Bridges, seconded by Council member Ewings and approved unanimously by all Council members present.